BWI
Building and Wood Workers' International
www.bwint.org

BWI Global Conference on Multinational Companies

19-20 October 2011 in Madrid, Spain

Against a background of globalisation, the building and strengthening of cross-border trade union networks is becoming a pillar of trade union power. Building and Wood Workers International developed tools on how to approach Multinational Corporations.

BWI targets Multinational Corporations through Social dialogue, International Framework Agreement, existing Code of Conduct, ILO standards, OECD guidelines, Global Reporting Initiative, Global Compact, Procurement standards of development banks, Global and regional networks including European Works Councils, Workers Capital, Corporate Campaigns, Wood Certification logos such as FSC or PEFC. All these initiatives commit themselves to respect international labour standards and the right of organizing in trade unions.

Trade unions should use these tools for organizing and recruiting new members, to make trade unions stronger, to negotiate collective bargaining agreements and to improve living and working conditions of our members.

The conference will discuss these tools of setting up and organising through global networks and agreements and organising in infrastructure projects.

Organizing in Multinational Companies and Infrastructure Projects

Today in a globalized economy, Multinational Companies (MNCs) in the Building and Wood Industries play an increasingly important role politically, economically, and socially. These companies have no national boundaries as they move freely from one country to another. They are rich and powerful. They are able to influence industry standards and governments to the point, where some national governments no longer have independence in developing their economic and even foreign policies as much of this is linked to the activities of these corporations. As global players they shape working conditions in our sectors, down the sub contracting chain and up the production chain.

Throughout the world, multinational corporations such as IKEA, Holcim, and Lafarge appear to have dual values and dual standards. In their home country, these companies respect workers' rights and recognize the union. However, abroad, they implement anti-union campaigns to interfere in trade union elections as they did in the United States. Under the guise of sub-contractors they discriminate outsourced workers who perform the same work as regular workers as they are doing in India. They intimidate trade unions by co-opting officials to arrest trade union leaders as they are doing in Indonesia. BWI is pushing multinational corporations to install equal values for all workers regardless of where they work. Today, in a global economy where workers are continually marginalized, it is important that we further strengthen global solidarity. We need also to seize opportunities in strengthening our work on organizing in multinational corporations and infrastructure projects.

After a long struggle in IKEA/Swedwood in Danville, Virginia, USA, the workers voted for a union with a resounding 76% Yes Vote! This is a result of a national and global campaign supported by BWI affiliates around the globe. After almost three years in failed talks, the IAMAW filed for trade union representation elections on 20 June 2011. The workers voted for a union but the struggle is not over as the next major hurdle for the workers is to negotiate a successful collective bargaining agreement that improves workers safety, promotes respectful treatment. Despite having an international framework agreement with IKEA for 12 years, the agreement was never applied in the USA.

With the support of BWI affiliates, the unions in Panama succeeded to organise workers and concluded collective bargaining agreements in Impregilo, Sacyr and Jan de Nul and other contractors at the Panama Canal Enlargement project. In addition the unions in Panama mobilized and launched a nation-wide campaign to repeal the draconian Law 30. The law would have denied workers the right to organize and strike and imprison workers if they protested.

BWI's Fair Games Fair Play campaign: During the 2010 World Cup the unions recruited nearly 30,000 workers and they successfully negotiated for a 12% wage increase and safe working conditions. In Brazil the 2014 World Cup campaign has resulted in 28,000 workers joining the BWI already. During the EURO 2012 campaign in Ukraine almost 1000 members were recruited on site and in Poland the affiliates and the labour inspection agency carry out joint inspection on sites. BWI affiliates in South Eastern Europe launched a campaign on workers labour rights and on organising on Corridor V and X, which are highway projects to improve connection from western to Eastern Europe.

COMPANY monitor

BWI has set up regional and global trade union networks and a BWI company monitor to allow for greater transparency of all company activities and global campaigns.

Africa/ Middle East Networks

BWI forum in construction in Africa - Anglophone African unions: Nigeria, Sierra Leone, Liberia, South Africa, Zimbabwe

Vinci Network - Burkina Faso, Tchad, Mali, Niger, Togo

Lafarge Network - Morocco, Tunisia, South Africa, Tanzania, Kenya

Cement firms – Middle East

Raiply woods network - Nigeria, Sierra Leone, Liberia, South Africa, Zimbabwe

Latin America /Caribbean networks

ARAUCO - Chile, Argentina, Brazil

Holcim - Chile, Argentina, Brazil, Colombia, Ecuador, Mexico, Guatemala, El Salvador, Nicaragua, Costa Rica

Lafarge - Brazil, Honduras, Ecuador, Mexico

ETEX - Chile, Argentina, Colombia, Peru, Mexico

Odebrecht - Argentina, Rep. Dominicana, Panama, Venezuela, Colombia, Ecuador, Brazil, Chile

Asia/Pacific regional networks

Construction - Hong Kong, Korea, Japan, Malaysia, Cambodia, Indonesia, Philippines

Forestry - Malaysia, Indonesia, Pacific

European networks

STRABAG – Serbien, Bulgarien, Montenegro, Croatia, Bosnia and European Works Council members

16 international framework agreements (IFA) signed

IFAs are a transnational framework agreement aiming to ensure international labour standards across all targeted company locations. The term IFA was adopted to clearly distinguish negotiated agreements from the voluntary codes of conduct corporations are increasingly adopting to demonstrate their commitment to corporate social responsibility.

In 12 years, BWI has successfully negotiated 16 international framework agreements (IFA) in the construction and wood sectors including: **Ballast Nedam** (construction, Netherlands); **Faber-Castell** (pencils, Germany); **GDF Suez** (France); **Hochtief** (construction, Germany); **Ikea** (furniture, Sweden); **Impregilo** (construction, Italy); **Italcementi** (construction, Italy); **Lafarge** (building materials, France); **Pfleiderer** (Germany); **Royal BAM** (construction, Netherlands); **Skanska** (construction, Sweden); **Stabilo** (pencils and cosmetics, Germany); **Staedtler** (writing instruments, Germany); **Veidekke** (construction, Norway); **VolkerWessels** (construction, Netherlands); **Wilkhahn** (office furniture, Germany).

By committing to an IFA these multinational companies pledge to respect the fundamental rights of workers and uphold the international labour standards of the International Labour Organization (ILO) which includes workers' rights to organize and bargain collectively. An IFA encourages companies to offer decent wages and working conditions and promote a safe and healthy working environment. IFAs also help affiliates gain international recognition as a union to gain access to work sites, and initiate dialogue between management and the subsidiaries, suppliers and subcontractors of BWI's partner companies. IFAs do not replace national legislation or existing collective bargaining, but are designed to create a framework within which all workers are guaranteed a minimum level of international labour standards.

Within an IFA there is also **a complaints and monitoring mechanism**, which applies to suppliers and subcontractors. A reference group of company representatives, local BWI affiliates and a BWI coordinator meet once a year, or as needed, to ensure all complaints are aired and addressed.

As part of its international IFA campaign, BWI also **reviews existing multinational codes of conduct**, used by many companies to gain credibility with consumers or to facilitate large advertising campaigns. If the existing code corresponds to BWI policy, we contact the multinational with a view to developing an IFA.

To facilitate this BWI has set up **regional and global trade union networks** to allow for greater transparency of all company activities. BWI also engages in **dialogue with employers** through the Confederation of International Contractors Associations (CICA), which shapes labour related policies and practices.

BWI is also seeking to develop principles and guidelines for the investment of **workers' capital** which is often placed in pension plans or company funds with low labour standards.

Trade Unions mobilize on Infrastructure jobs!

Trade Unions affiliated to the BWI are organising infrastructure projects around the world to win real improvements in working and living conditions for construction workers.

- Bujagali Hydroelectric Dam Uganda and Kenya Geothermal Power Plant
- Cambodia rail expansion and Nepal Melamchi Hydro Dam
- Panama Canal expansion and Panama City Metro
- Brazil World Cup infrastructure projects in the twelve host cities
- Roads and rail corridors in the Balkans
- USA union LIUNA fighting for construction jobs and good Collective Agreements on infrastructure projects

The Union Effect

- Proper contracts for employment – no precarious work
- Collective Bargaining Agreements and Trade Union representation on site
- Good wages, working hours and working conditions
- Excellent standards of Health and Safety, training and work organisation
- Good welfare conditions for transport, canteens and workers' accommodation.

Mobilize your members to demand Trade Union rights on site – we demand from governments and from construction contractors:

- Respect for the right to organise, to Trade Union representation and collective bargaining
- An immediate end to deaths, injuries and damage to our health on site
- Rejection of informal and precarious work in construction – our people need good jobs now
- Good wages and working conditions on every site
- National working parties of construction industry partners to take practical steps to improve conditions in construction.

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Economic Trends:

Contractors are shifting their focus to new and emerging markets.

International contracting revenue rose 25.6% to $34.05 billion in Latin America and the Caribbean, 6.7% to $60.59 billion in Africa and 4.7% to $76.64 billion in Asia and Australia.

While Chinese contractors have been pushing into the international market with some success – 5 companies in the top 10 - international contractors trying to penetrate the Chinese market have been less successful.

European contractors are mainly competing with Chinese contractors in Africa. Some Chinese contracts in Poland and Serbia

Arab markets remain attractive, though the political turmoil in some countries has disrupted businesses.

India has a huge construction potential, however bureaucracy and corruption are among contractors concerns.

Much of European construction has been hit by government efforts to cut debt. The U.K. is slowing down and the French market will recover say contractors.

Germany's largest contractor, Hochtief AG, fell under the control of Spain's ACS Group.

The availability of skilled labor is probably the No. 1 issue for international contractors. It seems to be difficult to get the workers locally with proper skill level to execute the work.

The Top 100 Global Contractors

(based On Total Firm Contracting Revenue)

RANK 2011	2010	FIRM NAME & LOCATION	INT'L
1	1	China Railway Construction Corp. Ltd., Beijing, China	76,206.0
2	2	China Railway Group Ltd., Beijing, China	73,012.1
3	6	China State Construction Eng'g Corp. Ltd., Beijing, China	48,868.0
4	3	VINCI, Rueil-Malmaison, France	45,110.0
5	5	China Communications Construction Group Ltd., Beijing, China	40,418.7
6	4	BOUYGUES, Paris, France	30,671.0
7	8	China Metallurgical Group Corp., Beijing, China	29,905.1
8	7	HOCHTIEF AG, Essen, Germany	28,979.7
9	10	Grupo ACS, Madrid, Spain	20,631.8
10	9	Bechtel, San Francisco, Calif., U.S.A.	19,714.0
11	12	Leighton Holdings Ltd., St. Leonards, NSW, Australia	18,510.0
12	16	EIFFAGE, Asnieres-sur-Seine, France	17,729.0
13	14	Fluor Corp., Irving, Texas, U.S.A.	17,194.4
14	13	FCC, Fomento de Constr. y Contratas SA, Madrid, Spain	16,059.8
15	26	Sinohydro Corp., Beijing, China	15,883.3
16	15	Skanska AB, Solna, Sweden	14,635.5
17	18	Shimizu Corp., Tokyo, Japan	14,403.8
18	17	Kajima Corp., Tokyo, Japan	14,394.7
19	22	Obayashi Corp., Tokyo, Japan	13,675.0
20	27	Shanghai Construction Group, Shanghai, China	13,005.3
21	21	Taisei Corp., Tokyo, Japan	12,978.0
22	11	STRABAG SE, Vienna, Austria	12,777.0
23	19	Balfour Beatty, London, U.K.	12,400.4
24	23	Takenaka Corp., Osaka, Japan	12,248.0
25	24	Saipem, San Donato Milanese (Milan), Italy	12,106.8
26	20	Bilfinger Berger SE, Mannheim, Germany	10,780.8
27	29	Construtora Norberto Odebrecht, Sao Paulo, SP, Brazil	10,000.8
28	25	Royal BAM Group nv, Bunnik, The Netherlands	9,808.0
29	34	Larsen & Toubro Ltd., Mumbai, India	9,205.0
30	33	Hyundai Engineering & Construction Co. Ltd., Seoul, S. Korea	8,876.5
31	32	Lend Lease Group, Millers Point, NSW, Australia	8,431.4
32	31	Kiewit Corp., Omaha, Neb., U.S.A.	8,206.6
33	30	TECHNIP, Paris, France	8,069.0
34	28	KBR, Houston, Texas, U.S.A.	7,648.1
35	36	GS Engineering & Construction Corp., Seoul, S. Korea	7,043.3
36	35	Sacyr Vallehermoso, Madrid, Spain	6,942.1
37	43	Dongfang Electric Corp., Chengdu, Sichuan, China	6,865.1
38	**	OHL, Madrid, Spain	6,480.9
39	45	Samsung C&T Corp., Seoul, S. Korea	6,437.9
40	67	Stroygazconsulting LLC, Moscow, Russia	6,118.5
41	37	Ferrovial Agroman SA, Madrid, Spain	6,110.6
42	55	China National Chemical Eng'g Group Corp., Beijing, China	5,954.1
43	38	Daewoo E&C Co. Ltd., Seoul, S. Korea	5,913.6
44	41	Daelim Industrial Co. Ltd., Seoul, S. Korea	5,673.0
45	40	POSCO Engineering & Construction, Incheon, S. Korea	5,339.7
46	50	Toda Corp., Tokyo, Japan	5,286.0
47	39	Consolidated Contractors Group, Athens, Greece	5,264.7
48	49	Kinden Corp., Tokyo, Japan	5,112.0
49	44	PCL Construction Enterprises Inc., Edmonton, Alberta, Canada	4,984.9
50	56	The Shaw Group Inc., Baton Rouge, La., U.S.A.	4,966.0
51	75	China Petroleum Eng'g & Construction Corp., Beijing, China	4,861.7
52	53	Zhejiang Constr. Invest. Group Co. Ltd., Hangzhou, China	4,849.4
53	60	China Gezhouba Group Co. Ltd., Wuhan, Hubei, China	4,815.6
54	54	China National Machinery Industry Corp., Beijing, China	4,716.3
55	69	Samsung Engineering Co. Ltd., Seoul, S. Korea	4,660.0
56	51	Clark Group, Bethesda, Md., U.S.A.	4,536.8
57	66	Petrofac Ltd., Jersey, U.K.	4,354.2
58	57	Grupo Isolux Corsan SA, Madrid, Spain	4,269.7
59	42	Jacobs, Pasadena, Calif., U.S.A.	4,120.7
60	48	Foster Wheeler AG, Clinton, N.J., U.S.A.	4,067.7
61	46	Acciona Infraestructuras, Madrid, Spain	4,034.0
62	78	SK Engineering & Construction, Seoul, S. Korea	4,011.5
63	61	Tecnicas Reunidas, Madrid, Spain	3,990.0
64	62	Construcoes e Comercio Camargo CorrEa SA, Sao Paulo,Brazil	3,922.2
65	64	Abeinsa SA, Seville, Spain	3,834.2
66	90	China Petroleum Pipeline Bureau, Langfang City, Hebei, China	3,802.0
67	58	A. Porr AG, Vienna, Austria	3,755.8
68	**	China Yunan Construction Eng'g Co. Ltd., Kunming, Yunnan, China	3,647.1
69	88	The Arab Contractors (O.A.O. & Co.), Cairo, Egypt	3,638.9
70	82	Construtora Andrade Gutierrez SA, Sao Paulo, Brazil	3,631.6

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Challenges Cement Industry

Increase in contract-ualisation – reduction in regular employment

Reduction of workforce - redundancies, out-sourcing, temporary workers

Discrimination between contract and permanent workers

Financialisation of the industry – casino economy – accent on return to shareholder value

Cartel building - price setting

Reduction CO2 - investments

Trends in Wood and Forestry

Companies diversify to fibre-rich regions – example Latin America

Moving closer to markets – China, E. Europe and Latin America seeing investment

Biomass demand is pushing up prices and threatening jobs in downstream industries

Industry sees bio energy and carbon capture as a possible future

Future growth possible in construction with wood – Nordic region leading the way

Demand increased from China. China biggest export market for Canada logs

Paper demand down in mature markets – growth of electronic media

In the European forest industry most forestry work is subcontracted out; Latvian and Polish subcontractors are working in Sweden; Vietnamese, Mongolian and Slovak workers do forest work in the Czech Republic.

71	94	JGC Corp., Yokohama, Japan	3,589.0
72	74	The Walsh Group Ltd., Chicago, Ill., U.S.A.	3,448.5
73	77	Penta-Ocean Construction Co. Ltd., Tokyo, Japan	3,400.7
74	101	Qingjian Group Co. Ltd., Qingdao, Shandong, China	3,351.0
75	86	CITIC Construction Co. Ltd., Beijing, China	3,280.8
76	68	Ed. Zublin AG, Stuttgart, Germany	3,265.8
77	70	The Whiting-Turner Contracting Co., Baltimore, Md., U.S.A.	3,232.0
78	47	Tutor Perini Corp., Sylmar, Calif., U.S.A.	3,195.5
79	**	Danieli & C SpA, Buttrio, Italy	3,100.0
80	65	Techint Group, Milan, Italy	3,094.9
81	63	CB&I, The Woodlands, Texas, U.S.A.	3,041.4
82	84	Maire Tecnimont, Rome, Italy	3,011.9
83	79	Gilbane Building Co., Providence, R.I., U.S.A.	2,975.2
84	87	Sumitomo Mitsui Construction Co. Ltd., Tokyo, Japan	2,898.0
85	105	Jiangsu Nantong No. 3 Constr. Group Co. Ltd., Haimen, China	2,807.9
86	81	Shanghai Urban Construction (Group) Corp., Shanghai, China	2,797.8
87	59	Nishimatsu Construction Co. Ltd., Tokyo, Japan	2,792.2
88	98	SEPCO Electric Power Constr. Corp., Jinan City, Shandong, China	2,766.2
89	85	COMSA EMTE, Madrid, Spain	2,714.3
90	125	China HuanQiu Contracting & Engineering Corp., Beijing, China	2,706.8
91	115	Aecon Group Inc., Toronto, Ontario, Canada	2,667.0
92	92	BESIX SA, Brussels, Belgium	2,592.0
93	95	Astaldi SpA, Rome, Italy	2,564.1
94	123	Anhui Construction Eng'g Group Co. Ltd., Hefei, Anhui, China	2,552.6
95	83	Hensel Phelps Construction Co., Greeley, Colo., U.S.A.	2,533.8
96	71	IMPREGILO SpA, Milan, Italy	2,472.9
97	100	Mortenson Construction, Minneapolis, Minn., U.S.A.	2,459.5
98	80	McCarthy Holdings Inc., St. Louis, Mo., U.S.A.	2,448.0
99	110	SNC-Lavalin International Inc., Montreal, Quebec, Canada	2,422.7
100	89	Jan De Nul Group (Sofidra SA), Capellen, Luxembourg	2,410.1

Source : http://enr.construction.com/toplists/GlobalContractors/001-100.asp

The Top Leading Cement Companies

RANK	FIRM NAME & LOCATION	Cement Capacity/Mt	Cement Sales/Mt
1	Lafarge Group, France	199	141
2	Holcim Group, Switzerland	212	137
3	Heidelberg Cement, Germany	112	78
4	CEMEX, Mexico	97	66
5	Italcementi, Italy	81	54
6	Buzzi Unicem	43	27

Source: http://www.cemnet.com/publications/GlobalCementReport9/default.aspx

The Global Players in wood and forestry

1. International Paper – USA – 23.3 billion USD turnover
2. Kimberly Clark – USA – 19.1
3. SCA (Svenska Cellulosa) – Sweden – 14.6
4. Oji Paper- Japan – 13.5
5. Nippon Paper Group – Japan - 12.7
6. Stora Enso – Finland – 12.4
7. UPM Kymmene – Finland – 10.8
8. Smurfit Kappa – Ireland – 8.5
9. Mondi – UK/South Africa – 7.3
10. Metsaliitto – Finland – 6.7
11. Mead/Westvaco – 6.0
12. Sequana Capital – France – 5.7
13. Smurfit/Stone – USA – 5.6
14. Domtar – Canada – 5.5
15. Sappi – South Africa – 5.4
16. Paperlinx - Australia – 5.1
17. Japan Pulp and Paper – Japan – 5.1
18. Daio Paper – Japan – 5.0
19. Weyerhauser – USA – 4.6
20. Rengo – Japan – 4.6
21. Sumitomo Forestry – Japan - 4.4
22. Abitibi-Bowater – Canada – 4.4
23. Graphic Packaging – USA – 4.1
24. Unicharm – Japan – 3.7
25. Sonoco – USA – 3.6
26. Temple-Inland – USA - 3.6
27. Cascades – Canada – 3.4
28. DS Smith – UK – 3.3
29. Norske Skog – Norway – 3.3
30. CMPC – Chile – 3.1
31. Arauco – Chile – 3.1

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